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31 *Be it enacted by the Legislature of the state of Utah:*32 Section 1. Section **63A-17-805** is amended to read:33 **63A-17-805. State employee matching supplemental defined contribution benefit.**

34 (1) As used in this section:

35 (a) "Qualifying account" means:

36 (i) a defined contribution plan qualified under Section 401(k) of the Internal Revenue

37 Code, which is sponsored by the Utah State Retirement Board;

38 (ii) a deemed Individual Retirement Account authorized under the Internal Revenue

39 Code, which is sponsored by the Utah State Retirement Board; or

40 (iii) a similar savings plan or account authorized under the Internal Revenue Code,

41 which is sponsored by the Utah State Retirement Board.

42 (b) "Qualifying employee" means an employee who is:

43 (i) in a position that is:

44 (A) receiving retirement benefits under Title 49, Utah State Retirement and Insurance

45 Benefit Act; and

46 (B) accruing paid leave benefits that can be used in the current and future calendar

47 years; and

48 (ii) not an employee who is reemployed as that term is:

49 (A) defined in Section [49-11-1202](#); or50 (B) used in Section [49-11-504](#).

51 (2) Subject to the requirements of Subsection (3), an employer shall make a biweekly

52 matching contribution to every qualifying employee's defined contribution plan qualified under

53 Section 401(k) of the Internal Revenue Code, subject to federal requirements and limitations,

54 which is sponsored by the Utah State Retirement Board.

55 (3) (a) In accordance with the requirements of this Subsection (3), each qualifying

56 employee shall be eligible to receive the same dollar amount for the contribution under

57 Subsection (2).

58 (b) A qualifying employee who is hired before July 1, 2023:

59 (i) shall receive the contribution amount determined under Subsection [~~(3)(c)~~] (3)(f) if
60 the qualifying employee makes a voluntary personal contribution to one or more qualifying
61 accounts in an amount equal to or greater than the employer's contribution amount determined
62 ~~[in]~~ under Subsection [~~(3)(c)~~] (3)(f);

63 (ii) shall receive a partial contribution amount that is equal to the qualifying employee's
64 personal contribution amount if the employee makes a voluntary personal contribution to one
65 or more qualifying accounts in an amount less than the employer's contribution amount
66 determined ~~[in]~~ under Subsection [~~(3)(c)~~] (3)(f); or

67 (iii) may not receive a contribution under Subsection (2) if the qualifying employee
68 does not make a voluntary personal contribution to a qualifying account.

69 (c) (i) An employer shall automatically enroll a qualifying employee who is hired on or
70 after July 1, 2023, to make a personal contribution to a defined contribution plan qualified
71 under Section 401(k) of the Internal Revenue Code, which is sponsored by the Utah State
72 Retirement Board, in an amount equal to the employer's contribution amount determined under
73 Subsection (3)(f).

74 (ii) A qualifying employee who makes a personal contribution in accordance with
75 Subsection (3)(c)(i) shall receive the contribution amount determined under Subsection (3)(f).

76 (d) (i) A qualifying employee who is hired on or after July 1, 2023, may opt out of the
77 automatic enrollment by choosing not to make any future personal contributions.

78 (ii) A qualifying employee who opts out of automatic enrollment in accordance with
79 this Subsection (3)(d) may not receive a contribution under Subsection (2).

80 (e) (i) A qualifying employee who is hired on or after July 1, 2023, may modify the
81 automatic enrollment by opting to make future personal contributions:

82 (A) in an amount other than the amount determined under Subsection (3)(f); or

83 (B) to a qualifying account other than the defined contribution plan qualified under
84 Section 401(k) of the Internal Revenue Code, which is sponsored by the Utah State Retirement
85 Board.

86 (ii) A qualifying employee who opts to make a personal contribution for less than the
87 amount determined under Subsection (3)(f) shall receive a partial contribution that is equal to
88 the qualifying employee's personal contribution amount.

89 ~~[(e)]~~ (f) (i) Subject to the maximum limit under Subsection ~~[(3)(e)(iii)]~~ (3)(f)(iii), the
90 Legislature shall annually determine the contribution amount that an employer shall provide to
91 each qualifying employee under Subsection (2).

92 (ii) The division shall make recommendations annually to the Legislature on the
93 contribution amount required under Subsection (2), in consultation with the Governor's Office
94 of Planning and Budget and the Division of Finance.

95 (iii) The biweekly matching contribution amount required under Subsection (2) may
96 not exceed \$26 for each qualifying employee.

97 (4) A qualifying employee is eligible to receive the biweekly contribution under this
98 section for any pay period in which the employee is in a paid status or other status protected by
99 federal or state law.

100 (5) The employer and employee contributions made and related earnings under this
101 section vest immediately upon deposit and can be withdrawn by the employee at any time,
102 subject to Internal Revenue Code regulations on the withdrawals.

103 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
104 director shall make rules establishing procedures to implement the provisions of this section.